GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3772
ANSWERED ON:24.03.2017
Transaction Cost on Cards
Maragatham Smt. K.

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has asked railways and banks to cut transaction cost on cards as the customer facing the problems of added cost;

(b) if so, the details thereof;

(c) whether the Government has fixed any deadline for the railways and banks to cut the transaction cost on cards; and

(d) If so, the details thereof and if not, the reasons therefor?

Answer

The Minister of State in the Ministry of Finance

(a) to (d) The Office of the Controller General of Accounts, vide its Office Memoranda no. 1(1)/2006/ECS/TA/670, dated 14th and 15th December 2016, has clarified that Merchant Discount Rate (MDR) charges up to Rs. 1 lakh on Government dues for taxes, non-taxes and other payments through debit cards shall be absorbed by the Government of India itself.

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